that their value would be " far greater " than he had previously expected. So perhaps we are entitled to take them at £1300 millions.

If so, we get the following results for the cost of the fighting period :—

Total Government expenditure. August 1. 1914. to November 9.1918 ..... millions.		£8612
Less estimate of normal peace expenditure		860
		7752
Less Loans to Dominions ...	220 millions.	
Less Loans to Allies (half face value)	740 "	
Realisable assets ...	1300 "	
	----	2260 "
Net cost of period		£5492 "

If war cost would be good enough to cease with the fighting we should thus now be able to see, more or less, how we stand. During the fighting period the Government raised by taxation the sum of *£2120* millions,* from which we have again to deduct £860 millions as an estimate for normal peace taxation, if the war had not happened, leaving £1350 millions as the net war taxation, and £4142 millions as the net addition to debt from the war.

But, of course, there are still some large and uncertain sums to come in to both sides of the account. There is the cost of maintaining our Army

* *Economist*, Nov. 16,